



4004

ANNUAL REPORT

OF

Name: HILLSBORO TELEPHONE CO, INC.

Principal Office: 121 MILL STREET
HILLSBORO, WI 54634

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MR. CHARLES HAMMER of
(Person responsible for accounts)

HILLSBORO TELEPHONE CO, INC. , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MR. CHARLES HAMMER 05/01/1997
(Person responsible for accounts) (Date)

VICE PRESIDENT - MANAGER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: HILLSBORO TELEPHONE CO, INC.
Utility Location: 121 MILL STREET
HILLSBORO, WI 54634

Utility Web Site Address:

When was utility organized?: 06/30/1956

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR CHARLES HAMMER
Title: VICE PRESIDENT - MANAGER

Office Address: 121 MILL STREET
HILLSBORO, WI 54634

Fax Number: (608) 489 - 1111
Telephone Number: (608) 489 - 2100
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: MR DENNIS E. HILDEBRANDT
Title: CERTIFIED PUBLIC ACCOUNTANT
Firm: SIEPERT & CO. LLP
Office Address: 1920 WEST HART ROAD
BELOIT, WI 53511

Fax Number: (608) 364 - 8727
Telephone Number: (608) 365 - 2266
Email Address:

Person responsible for financial information contained in report

Name: MR CHARLES HAMMER
Title: VICE PRESIDENT - MANAGER

Office Address: 121 MILL STREET
HILLSBORO, WI 54634

Fax Number: (608) 489 - 1111
Telephone Number: (608) 489 - 2100
Email Address:

Person responsible for statistical information contained in report

Name: MR CHARLES HAMMER
Title: VICE PRESIDENT - MANAGER

Office Address: 121 MILL STREET
HILLSBORO, WI 54634

Fax Number: (608) 489 - 1111
Telephone Number: (608) 489 - 2100
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: CARLA SHAKER
Address: 121 MILL STREET
HILLSBORO, WI 54634

Number of Shares Held: 56
Beneficial Owner: NONE

Name: EDWARD & LILLIAN HAMMER
Address: 121 MILL STREET
HILLSBORO, WI 54634

Number of Shares Held: 417
Beneficial Owner: NONE

Name: UNIVERSAL TELEPHONE CO.
Address: 2615 EAST AVENUE SOUTH
LA CROSSE, WI 54602

Number of Shares Held: 250
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:
Form of Interest:
Extent Of Interest:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,061,515	1,009,978	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	132,462	170,346	2
Plant Nonspecific Operations Expense	332,842	243,520	3
Customer Operations Expense (6610-6620)	127,621	133,464	4
Corporate Operations Expense (6710-6790)	197,903	213,711	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	138,725	106,211	7
Total Operating Expenses	929,553	867,252	8
Net Operating Income	131,962	142,726	9
Other Income			
Nonoperating Income and Expense (7300)	168,042	129,645	10
Nonoperating Taxes (7400)	47,326	50,435	11
Interest and Related Items (7500)	83,007	79,721	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	11,883	8,868	14
Total Nonoperating Income	49,592	8,357	15
Net Income	181,554	151,083	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)
 1. **SIGNIFICANT ACCOUNTING POLICIES:**
 - A. **TELEPHONE PLANT IS RECORDED AT ORIGINAL COST. DEPRECIATION IS COMPUTED ON THE STRAIGHT-LINE BASIS BY APPLYING A RATE TO GROUP ACCOUNT ASSETS.**
 - B. **THE COMPANY HAS ELECTED TO DEFER INCOME TAX SAVINGS EARNED BY INVESTMENT TAX CREDIT AND IS AMORTIZING THOSE OVER THE SERVICE LIFE ON WHICH THE ITC WAS GENERATED.**
 - C. **FOR INCOME TAX PURPOSES, THE COMPANY UTILIZES ACCELERATED METHODS FOR DEPRECIATION. THE INCOME TAX SAVINGS ON THESE TIMING DIFFERENCES HAS BEEN NORMALIZED THROUGH INCOME TAX EXPENSE.**
 - D. **THE COMPANY HAS A DEFINED CONTRIBUTION PENSION PLAN WHICH IS ADMINISTERED BY A TRUSTEE AND COVERS ALL ELIGIBLE EMPLOYEES. PENSION PLAN EXPENSE FOR 1996 AMOUNTED TO \$28,767.**
 2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.
-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	430,287	426,569	1
Cash (1130)		0	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)		0	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	430,287	426,569	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	68,308	75,192	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	68,308	75,192	
Other Accounts Receivable (1190)*	35,024	139,525	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	35,024	139,525	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	447	553	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	103,779	215,270	
SUPPLIES			
Inventories (1220)*	15,452	22,433	13
TOTAL SUPPLIES	15,452	22,433	
PREPAYMENTS			
Total Prepayments (1280)*	22,424	12,808	14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)		0	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)		0	18
Other Prepayments (1330)		0	19
TOTAL PREPAYMENTS	22,424	12,808	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	571,942	677,080	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	122,000	0	21
Investments in Nonaffiliated Companies (1402)*	0	0	22
Nonregulated Investments (1406)*	73,446	99,689	23
Unamortized Debt Issuance Expense (1407)*	1,842	1,938	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	607,195	729,195	26
TOTAL INVESTMENTS	804,483	830,822	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*		0	29
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	804,483	830,822	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	4,183,558	3,583,275	30
Less: Accumulated Depreciation (3100)*	2,322,911	2,076,487	31
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	33
Less: Accumulated Amortization--Intangible (3500)*		0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,860,647	1,506,788	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	20,655	23,458	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		2,603	36
NET PROPERTY HELD FOR FUTURE USE	20,655	20,855	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	11,031	11,031	37
Less: Accumulated Depreciation--Nonoperating (3300)*	6,709	6,286	38
NET NONOPERATING PLANT	4,322	4,745	
TPUC			
TPUC (2003)*	3,611	255,101	39
TOTAL TPUC	3,611	255,101	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	40
Less: Accumulated Amortization--Other (3600)*		0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,889,235	1,787,489	
TOTAL ASSETS AND OTHER DEBITS*	3,265,660	3,295,391	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	41,738	172,030	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	1,270	505	3
Customer Deposits (4040)*	3,575	3,360	4
Current Maturities--Long-Term Debt (4050)*	0	0	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	78,134	12,880	7
Other Taxes--Accrued (4080)*	(8,825)	(6,620)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	8,278	8,699	11
Other Current Liabilities (4130)*		0	12
TOTAL CURRENT LIABILITIES*	124,170	190,854	
LONG-TERM DEBT			
Funded Debt (4210)*	1,624,140	1,688,720	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	1,624,140	1,688,720	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*		0	20
Unamortized Operating ITC--Net (4320)*	27,014	32,597	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	72,328	52,740	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(133,890)	(43,490)	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	11,431	11,431	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	(23,117)	53,278	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	108,900	108,900	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*	5,300	5,300	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	1,436,867	1,258,939	32
TOTAL STOCKHOLDERS' EQUITY*	1,540,467	1,362,539	
TOTAL LIABILITIES AND OTHER CREDITS*	3,265,660	3,295,391	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	184,144	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	258,930	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	108,856	4
Other noncurrent assets	121,904	5
Other current liabilities	(66,684)	6
Other liabilities and deferred credits	(76,395)	7
Other (specify):		
TOTAL ADJUSTMENTS	346,611	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	530,755	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(360,676)	8
Investments in affiliated companies	(122,000)	9
Nonoperating Investments	26,243	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(456,433)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	64,580	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(6,216)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	58,364	
NET INCREASE IN CASH AND CASH EQUIVALENTS	132,686	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

-
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

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2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

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3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE

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4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

NONE

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5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

-
6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE

-
7. Changes in articles of incorporation or amendments to charter.

NONE

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8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
		1
Computer Systems, LLC	CS	2

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)	
Docket		2560-AT-100				
Name of Affiliate		CS				1
Designate whether billed to or from:		FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		M				3
Revenues						4
Expenses:						
Plant Specific Operations Expense						5
Plant Nonspecific Operations Expense						6
Customer Operations Expense		53,433				7
Corporate Operations Expense						8
Total Operating Expenses		53,433	0	0	0	9
Other:						
Plant Accounts						10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other						14
Total		53,433	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities		60.50				16
If cost based, rate of return on equity or markup incorporated in billings						17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Computer Systems, LLC	1401	122,000	1

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
Net write offs during the year	0	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total	<u>0</u>	<u>0</u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	0	1
Other:		
Total Investments in Nonaffiliated Companies	0	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
NET INVESTMENT	56,259	1
INVENTORY	17,187	2

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	<div style="display: flex; justify-content: space-between;"> 1 <u><u>0</u></u> </div>

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	20,424		1 c
Motor Vehicles	2112	399,937		2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	93,865		6
Buildings	2121	209,812	10,279	7 D
Furniture	2122	5,472		8
Office Equipment	2123	17,033	5,892	9
General Purpose Computers	2124	84,587	10,652	10
TOTAL--GENERAL SUPPORT ASSETS:		831,130	26,823	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	698,863	15,139	12 E
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	216,077	208,558	16 E
TOTAL--CENTRAL OFFICE ASSETS:		914,940	223,697	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	9,944	263	20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		9,944	263	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	10,912	0	24
Buried Cable	2423	1,772,577	358,654	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	43,334		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,826,823	358,654	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111		200	20,624	1 C
2112			399,937	2
2113			0	3
2114			0	4
2115			0	5
2116			93,865	6
2121		2,603	222,694	7 D
2122			5,472	8
2123	0	0	22,925	9
2124			95,239	10
	0	2,803	860,756	
2211			0	11
2212	0	23,088	737,090	12 E
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	(23,088)	401,547	16 E
	0	0	1,138,637	
2311			0	17
2321			0	18
2341			0	19
2351			10,207	20
2362			0	21
	0	0	10,207	
2411			0	22
2421	0	0	0	23
2422	0	0	10,912	24
2423	11,957	0	2,119,274	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			43,334	30
	11,957	0	2,173,520	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	438	33
TOTAL--AMORTIZABLE ASSETS:		438	0
TOTAL TELECOM. PLANT IN SERVICE	2001	3,583,275	609,437
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			438	33
	0	0	438	
	11,957	2,803	4,183,558	
2001			0	34
			4,183,558	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	17,033		1
Company Communications Equipment	2123.2	0	5,892	2
Software	2212.1	698,863		3 A
Digital Switching - Central Office	2212.2	0	15,139	4 A,B
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	47,863	208,443	10 B
Analog Circuit Equipment	2232.2	102,423	115	11
Light Wave Circuit Equipment	2232.3	65,791		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	10,912		15 A
Underground Cable - Metallic	2422.2	0		16 A
Buried Cable - Nonmetallic	2423.1	684,102	64,860	17 A
Buried Cable - Metallic	2423.2	1,088,475	293,794	18 A
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			17,033	1
2123.2			5,892	2
2212.1		(698,863)	0	3 A
2212.2		721,951	737,090	4 A,B
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1		(23,088)	233,218	10 B
2232.2			102,538	11
2232.3			65,791	12
2421.1			0	13
2421.2			0	14
2422.1		(10,912)	0	15 A
2422.2		10,912	10,912	16 A
2423.1		(314,808)	434,154	17 A
2423.2	11,957	314,808	1,685,120	18 A
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	283,307		34,911		1
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	66,850	10.0	9,386		5
Buildings	2121	109,528	3.33	7,143		6
Furniture	2122	3,038	10.0	547		7
Office Equipment	2123	15,098	15.0	1,984		8
General Purpose Computers	2124	26,339	25.0	22,478		9
Total-- GENERAL SUPPORT ASSETS		504,160		76,449		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	405,736	8.5	60,216		11
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	145,439		23,233		15
Total-- CENTRAL OFFICE ASSETS		551,175		83,449		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	7,773	9.5	1,024		19
Other Terminal Equipment	2362	0				20
Total-- INFORMATION ORIG/TERM ASSETS		7,773		1,024		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	0				21
Aerial Cable	2421	0				22
Underground Cable	2422	8,582	5.3	578		23
Buried Cable	2423	983,344	5.3	96,000		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	0				28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	21,453	3.3	1,430	29
Total-- CABLE WIRE FACILITIES ASSETS		1,013,379		98,008	0
Total Accumulated Depreciation	3100	2,076,487		258,930	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					318,218	1
2113					0	2
2114					0	3
2115					0	4
2116					76,236	5
2121				2,603	119,274	6
2122					3,585	7
2123	0				17,082	8
2124					48,817	9
	0	0	0	2,603	583,212	
2211					0	10
2212	0			2,193	468,145	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0			(2,193)	166,479	15
	0	0	0	0	634,624	
2311					0	16
2321					0	17
2341					0	18
2351					8,797	19
2362					0	20
	0	0	0	0	8,797	
2411					0	21
2421	0				0	22
2422	0			0	9,160	23
2423	11,957	3,152		0	1,064,235	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					22,883	29
	11,957	3,152	0	0	1,096,278	
3100	11,957	3,152	0	2,603	2,322,911	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	15,098	15.0	1,935	1
Company Communications Equipment	2123.2	0	20.0	49	2
Software	2212.1	405,736	8.5		3 A
Digital Switching - Central Office	2212.2	0	8.5	60,216	4 A
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	24,851	12.0	16,865	10
Analog Circuit Equipment	2232.2	102,408	21.0	131	11
Light Wave Circuit Equipment	2232.3	18,180	9.5	6,237	12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	0			14
Underground Cable - Nonmetallic	2422.1	8,582			15 A
Underground Cable - Metallic	2422.2	0	5.3	578	16 A
Buried Cable - Nonmetallic	2423.1	268,715	4.6	17,733	17 A
Buried Cable - Metallic	2423.2	714,629	5.3	78,267	18 A
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					17,033	1
2123.2					49	2
2212.1				(405,736)	0	3 A
2212.2				407,929	468,145	4 A
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1				(2,193)	39,523	10
2232.2					102,539	11
2232.3					24,417	12
2421.1					0	13
2421.2					0	14
2422.1				(8,582)	0	15 A
2422.2				8,582	9,160	16 A
2423.1				(236,757)	49,691	17 A
2423.2	11,957	3,152		236,757	1,014,544	18 A
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(57,519)	5
Net Deferred Tax Liability Adjustments (4341)	0	6
Deferred Tax Regulatory Liability (4361)	(13,360)	7
Net Property Related Deferred Operating Income Taxes	(70,879)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(70,879)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	4,779	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	1,929	15
Total Nonproperty Related Deferred Operating Income Taxes	6,708	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250		15,024		(72,543)	5
				0	6
				(13,360)	7
	0	15,024	0	(85,903)	
				0	8
	0	15,024	0	(85,903)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250		4,564		215	13
				0	14
				1,929	15
	0	4,564	0	2,144	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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NONE

Total Notes Payable	<u><u>0</u></u>	1
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
REA MORTGAGE NOTES	12/20/1974	12/20/2009	5.0000	1
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
.0000			1,624,140		1,624,140	1
	0	0	1,624,140	0	1,624,140	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
TREASURY STOCK		100.00	1
COMMON STOCK	1,100	100.00	2
TOTAL COMMON STOCK	1,100		
TOTAL	<u>1,100</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
TREASURY STOCK			53	5,300	1
COMMON STOCK	1,089	108,900			2
	1,089	108,900	53	5,300	
TOTAL	1,089	108,900	53	5,300	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	1,258,939	1,114,072	1
Changes:			
Balance Transferred from Income	184,144	151,083	2
Dividends Declared:			
Common	6,216	6,216	3
Preferred		0	4
Total Dividends Declared	6,216	6,216	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>1,436,867</u>	<u>1,258,939</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	61,752	11,535	63,696	1
Nonoperating Taxes (Accts. 7410 - 7450)		13,178	34,148	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		2,028	8,212	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u>61,752</u>	<u>26,741</u>	<u>106,056</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
1,742					138,725	1
					47,326	2
					0	3
					10,240	4
					0	5
					0	6
				20,584	20,584	7
				382	382	8
				454	454	9
1,742	0	0	0	21,420	217,711	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	338,067	307,925	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	338,067	307,925	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	71,542	68,399	11
Switched Access Revenue (5082)*	309,995	306,869	12
Special Access Revenue (5083)*		0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	381,537	375,268	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	249,560	232,278	15
Special Access Revenue (5084.3)*		0	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	249,560	232,278	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	2,410	1,781	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	2,410	1,781	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	7,014	6,388	30
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	14,399	17,192	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	14,399	17,192	
Interstate Billing and Collection Revenue*	22,577	20,541	39
Intrastate Billing and Collection Revenue*	47,136	50,305	40
Total Carrier Billing and Collection Revenue (5270)*	69,713	70,846	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	91,126	94,426	
GROSS OPERATING REVENUES	1,062,700	1,011,678	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1,185	1,700	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,185	1,700	
TOTAL OPERATING REVENUES	1,061,515	1,009,978	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)		0	2,493	1
Less: Nonregulated		0		2
Net Regulated	0	0	2,493	3
Total General Support Expense (6120)	32,344	37,347	12,441	4
Less: Nonregulated		0		5
Net Regulated	32,344	37,347	12,441	6
Total Central Office Switching Expense (6210)	70,512	38,864	25,579	7
Less: Nonregulated		0		8 F
Net Regulated	70,512	38,864	25,579	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	1,000	2,617	987	13
Less: Nonregulated		0		14
Net Regulated	1,000	2,617	987	15
Total Information Orig. / Term. Expense (6310)	1,579	209	85	16
Less: Nonregulated		0		17
Net Regulated	1,579	209	85	18
Total Cable and Wire Fac. Expense (6410)	64,911	53,425	21,890	19
Less: Nonregulated		0		20
Net Regulated	64,911	53,425	21,890	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	170,346	132,462	63,475	
Less: Nonregulated	0	0	0	
Net Regulated	170,346	132,462	63,475	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	65	260	22
Less: Nonregulated		0		23
Net Regulated	0	65	260	24
Total Network Operations Expense (6530)	47,686	72,552	49,548	25
Less: Nonregulated		0		26 G
Net Regulated	47,686	72,552	49,548	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	197,382	258,930		31
Less: Nonregulated	1,548	1,295		32 H
Net Regulated	195,834	257,635		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	245,068	331,547	49,808	
Less: Nonregulated	1,548	1,295	0	
Net Regulated	243,520	330,252	49,808	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	871		25,293	(28,657)	1
					2
	871	0	25,293	(28,657)	3
6120	4,155		20,751		4
					5
	4,155	0	20,751	0	6
6210	8,979		4,306		7
					8 F
	8,979	0	4,306	0	9
6220					10
					11
	0	0	0	0	12
6230	338		1,046	246	13
					14
	338	0	1,046	246	15
6310	31		1	92	16
					17
	31	0	1	92	18
6410	7,540		9,895	14,100	19
					20
	7,540	0	9,895	14,100	21
	21,914	0	61,292	(14,219)	
	0	0	0	0	
	21,914	0	61,292	(14,219)	
6510	88	0	0	(283)	22
					23
	88		0	(283)	24
6530	17,216		9,649	(3,861)	25
					26 G
	17,216	0	9,649	(3,861)	27
6540					28
					29
	0	0	0	0	30
6560			258,930		31
			1,295		32 H
			257,635		33
	17,304	0	268,579	(4,144)	
	0	0	1,295	0	
	17,304	0	267,284	(4,144)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	4,442	7,152		34
Less: Nonregulated		0		35
Net Regulated	4,442	7,152	0	36
Total Services (6620)	129,022	120,469	27,466	37
Less: Nonregulated		0		38
Net Regulated	129,022	120,469	27,466	39
TOTAL CUSTOMER OPERATIONS EXPENSE	133,464	127,621	27,466	
Less: Nonregulated	0	0	0	
Net Regulated	133,464	127,621	27,466	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	58,812	64,512	47,041	40
Less: Nonregulated		0		41
Net Regulated	58,812	64,512	47,041	42
Total General and Administrative (6720)	154,899	133,391	49,752	43
Less: Nonregulated		0		44
Net Regulated	154,899	133,391	49,752	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	213,711	197,903	96,793	
Less: Nonregulated	0	0	0	
Net Regulated	213,711	197,903	96,793	
TOTAL EXPENSES	762,589	789,533	237,542	
Less: Nonregulated	1,548	1,295	0	
Net Regulated	761,041	788,238	237,542	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			7,152		34
					35
	0	0	7,152	0	36
6620	9,576		82,841	586	37
					38
	9,576		82,841	586	39
	9,576	0	89,993	586	
	0	0	0	0	
	9,576	0	89,993	586	
6710	16,479		992		40
					41
	16,479		992	0	42
6720	17,404		66,235		43
					44
	17,404		66,235	0	45
6790					46
					47
			0		48
	33,883	0	67,227	0	
	0	0	0	0	
	33,883	0	67,227	0	
	82,677	0	487,091	(17,777)	
	0	0	1,295	0	
	82,677	0	485,796	(17,777)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)		65	260	2
Total: Reported in Account 6510	0	65	260	
Depreciat. Exp.--Tele. Plant in Service (6561)	197,382	258,930		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	197,382	258,930		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512	88			(283)	2
	88		0	(283)	
6561			258,930		3
6562					4
6563					5
6564					6
6565					7
			258,930		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)	
Out-of-state operating revenues		1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only		2
Plus: current year collection of out-of-state utility customer accounts previously written off		3
Net out-of-state operating revenues	0	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*		0	1
Return from Nonregulated Use of Regulated Facilities (7130)*		0	2
Gains and (Losses) from Foreign Exchange (7140)		0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)		0	4
Other Operating Gains and (Losses) (7160)*		0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(5,583)	(5,564)	6
Operating Federal Income Taxes (7220)*	48,634	31,066	7
Operating State and Local Income Taxes (7230)*	12,592	8,346	8
Operating Other Taxes (7240)*	63,494	59,384	9
Provision for Deferred Operating Income Taxes--Net (7250)*	19,588	12,979	10
TOTAL OPERATING TAXES (7200)*	138,725	106,211	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*		0	11
Interest Income (7320)*	24,949	22,574	12
Income from Sinking and Other Funds (7330)*		0	13
Allowance for Funds Used During Construction (7340)*		0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*		0	15
Other Nonoperating Income (7360)*	144,212	107,788	16
Special Charges (7370)*	1,119	717	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	168,042	129,645	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*		0	18
Nonoperating Federal Income Taxes (7420)*	34,148	39,736	19
Nonoperating State and Local Income Taxes (7430)*	13,178	10,699	20
Nonoperating Other Taxes (7440)*		0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*		0	22
TOTAL NONOPERATING TAXES (7400)*	47,326	50,435	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	82,773	79,306	23
Interest Expense--Capital Leases (7520)*		0	24
Amortization of Debt Issuance Expense (7530)*	96	96	25
Other Interest Deductions (7540)*	138	319	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	83,007	79,721	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)		0	28
Extraordinary Income Charges (7620)		0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)		0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)		0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	11,883	8,868	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	178,211	1
Less: Cost of Goods Sold	131,174	2
Net Sales	47,037	3
Expenses (Acct. 7990.2)	35,154	4
Nonregulated Net Income	11,883	5

List the type of nonregulated activities that company is involved in:

NONREGULATED ACTIVITIES INCLUDE:
 SALES OF TERMINAL EQUIPMENT
 LEASING AND REPAIR OF TELECOMMUNICATION EQUIPMENT
 MAINTENANCE OF CUSTOMER OWNED EQUIPMENT
 PROVIDE INTERNET SERVICES TO CUSTOMERS

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	237,542	1
Nonregulated Expense	16,358	2
Plant Accounts	13,299	3
Accumulated Depreciation Accounts		4
All Other Accounts	3,656	5
Total Salaries and Wages	270,855	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.00	1.00	47,174	1
Supervision and Other Management	2.00	2.00	95,362	2
Other Employees	4.00	4.00	142,536	3
Total	7.00	7.00	285,072	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.00	1.00	47,174	1
Supervision and Other Management	2.00	2.00	95,362	2
Other Employees	4.00	4.00	142,536	3
Total	7.00	7.00	285,072	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	144	276	1
Extended Area Service	109	260	2
Extended Community Calling	9	38	3
Other Local-Undefined			4
Total Local	262	574	
TOLL			
Operator Handled: State--intraLATA	1	1	5
Operator Handled: State--interLATA	1	3	6
Operator Handled: Interstate	1	2	7
Customer Dialed: State--intraLATA	45	195	8
Customer Dialed: State--interLATA	30	122	9
Customer Dialed: Interstate	43	188	10
WATS	1	1	11
Other Toll-Undefined	34	80	12
Total Toll	156	592	
Total Local & Toll	418	1,166	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.	9	59			2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.			1,210		5
Feature Group C -- Term.			1,172		6
Feature Group D -- Orig.	1,294	1,156			7
Feature Group D -- Term.	1,507	762			8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial		1
Sheath miles of plant - buried	256	2
Sheath miles of plant - fiber optics	24	3
Strand miles of plant - fiber optics	233	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	1	7	1
56 kbps		2	2
64 kbps (DS0)	1		3
1.54 Mbps (DS-1)	2		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial		1
Sheath miles of plant - buried	256	2
Sheath miles of plant - fiber optics	24	3
Strand miles of plant - fiber optics	233	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	1	7	1
56 kbps		2	2
64 kbps (DS0)	1		3
1.54 Mbps (DS-1)	2		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	203	243	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	10	10	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	99	109	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	0		12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	7	7	16
- Semi-Public	2	2	17
- Cust. Owned	0		18
Other	0		19
Total Business Lines	321	371	20
Residential (Incl. Emp. Concess.)			
1 Party	1,206	1,219	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	1,206	1,219	27
Total Bus & Res Lines	1,527	1,590	28
Company Used Lines	7	7	29
Total Lines Used	1,534	1,597	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	1		3
WATS Lines - 800 Service	0		4
FX-In-intraLATA	0		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	9	9	7
Special Access-interLATA			8
(expressed in equiv. access lines)	30	50	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	47	47	13
TSPS - Trunks	7	7	14
EAS - Trunks	68	68	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
Business - 2 Party Customers	0		20
Business - 4 Party Customers	0		21
Residential - 2 Party Customers	0		22
Residential - 4 Party Customers	0		23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical			26
location of plant)	2,751,707	3,322,364	27
Total Company Square Miles	114	114	28
Total Company Route Miles	8	8	29
Footnotes			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	2370				1
Business					2
1 Party	243				3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	10				6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	109				9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	7				16
- Semi-Public	2				17
- Cust. Owned					18
Other					19
Total Business Lines	371	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,219				22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	1,219	0	0	0	27
Total Bus & Res Lines	1,590	0	0	0	28
Company Used Lines	7				29
Total Lines Used	1,597	0	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	2370				1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	9				7
Special Access-interLATA					8
(equiv. access lines)	50				9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	47				13
TSPS - Trunks	7				14
EAS - Trunks	68				15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	3,322,364				27
Exchange Square Miles	114				28
Exchange Route Miles	8				29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	HILLSBORO				1
PSCW Exchange ID	2370				2
Central Office Name	HILLSBORO				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1985				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	S				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID					10
COE Generic Software Release No.	402.53				11
SS7?	No				12
9-1-1?	No				13
Access Lines - In Use	1,597				14
- Equipped	1,661				15
- Wired	1,661				16
Trunks - In Use	147				17
- Equipped	288				18
- Wired	288				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)					21
- In Use (PRI)					22
Switched 56 Service?	No				23
Switched 56 lines in use					24
Digital Transmission Facilities: DS-1 - In Use	8				25
DS-3 - In Use	0				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹					32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	28				33
No. of fiber strands working (LIT) in C.O.	8				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	24				36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON				37
- PSCW C.O. ID	3080-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A) TO RECLASSIFY BALANCE FOY TO THE APPROPRIATE SUB ACCOUNTS.
- B) PAGE 25, LINE 4 AND LINE 10, COLUMN (g) REPRESENTS A TRANSFER FROM DIGITAL CIRCUIT EQUIPMENT TO DIGITAL SWITCHING - CENTRAL OFFICE.
- C) PAGE 23, LINE 1, COLUMN (g) - REPRESENTS LAND TRANSFERRED FROM PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE.
- D) PAGE 23, LINE 7, COLUMN (g) - REPRESENTS A BUILDING TRANSFERRED FROM PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE. THE ABOVE TWO ITEMS REPRESENT A BUILDING AND THE LAND WHICH THE BUILDING IS LOCATED ON, WHICH WERE PLACED INTO SERVICE DURING 1996.
- E) PAGE 23, LINE 12 AND 16, COLUMN (g) - REPRESENTS A TRANSFER FROM DIGITAL CIRCUIT EQUIPMENT TO DIGITAL ELECTRONIC SWITCHING EQUIPMENT.
- F) DIGITAL ELECTRONIC EXPENSE DECREASED DUE TO A CHANGE IN THE ALLOCATION OF THE GENERAL MANAGERS WAGES.
- G) PLANT ADMINISTRATION EXPENSE INCREASED DUE TO A CHANGE IN THE ALLOCATION OF THE GENERAL MANAGERS WAGES. ENGINEERING EXPENSE DECREASED APPROXIMATELY \$13,649 COMPARED TO 1995. THIS WAS CAUSED BY THE PLANT RECORDS BEING COMPUTERIZED IN 1995, WHICH WAS A ONE TIME EXPENDITURE.
- H) DEPRECIATION EXPENSE INCREASED DUE TO THE INCREASE IN DEPRECIATION RATES. SEE SCHEDULE OF ACCUMULATED DEPRECIATION FOR NEW DEPRECIATION RATES.
- I) SEE ATTACHED COMPILATION LETTER INCLUDED AS PART OF THE PUBLIC COPY OF THIS REPORT.